

Message Text

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E.O. 11652: N/A
TAGS: ETRD, EEC, US
SUBJECT: COOPER PRESS CONFERENCE

FOLLOWING IS THE VERBATIM TRANSCRIPT OF A PRESS CONFERENCE
HELD MAY 26 BY UNDERSECRETARY OF STATE RICHARD COOPER AND
EC VICE-PRESIDENT WILHELM HAFERKAMP AT THE CONCLUSION
OF THE 16TH ROUND OF SEMI-ANNUAL HIGH-LEVEL CONSULTATIONS
BETWEEN THE UNITED STATES AND THE COMMISSION OF THE
EUROPEAN COMMUNITIES:

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HAFERKAMP: LADIES AND GENTLEMEN, YOU HAVE JUST HEARD THAT
THIS IS THE SIXTHEENTH ROUND OF TALKS OF THIS KIND AND I
AM VERY GLAD THAT MR. COOPER WAS PREPARED TO PARTICIPATE
IN THIS PRESENT CONFERENCE WITH ME, AND I'D LIKE TO STRESS
THAT BESIDES THE LARGE NUMBER OF CONSULTATIONS WHICH WE
HAVE REGULARLY, ALSO BETWEEN THESE CONSULTATIONS WHIC

WE HAVE CONTINUOUS CONTACT. IN 1970, THESE REGULAR MEETINGS WERE INTRODUCED. THEY ARE HELD TWICE A YEAR ALTERNATELY IN BRUSSELS AND WASHINGTON. I SAID THAT WE HAD NUMEROUS CONTACTS IN BETWEEN. THEY HAVE INCREASED LAST YEAR AND IN A FEW WEEKS ON SEVERAL OCCASIONS WE MET FOUR OR FIVE TIMES IN FACT, ALTHOUGH THESE REGULAR CONSULTATIONS DO HAVE THEIR PARTICULAR SIGNIFICANCE EVEN IF THERE'S NO DRAMATIC DECISION AT THE END. IT IS IMPORTANT THAT WE HAVE THE OPPORTUNITY REGULARLY, FROM TIME TO TIME, TO MAKE A STOCKTAKING, IF YOU LIKE, OF QUESTIONS WHICH ARE TOPICAL AND WHICH ARE OF CONCERN TO US BOTH. THIS WE HAVE NOW DONE. WE PREVIOUSLY DEALT WITH TRADE QUESTIONS ONLY. LAST YEAR WE BEGAN TO EXPAND THE SCOPE OF THESE MEETINGS. WE BEGAN TO EXCHANGE INFORMATION ON GENERAL QUESTIONS, AS WELL AS MONETARY AND ENERGY QUESTIONS. IN THE PRESENT MEETING, WE HAVE FOR THE FIRST TIME DEALT WITH THE POSSIBILITY OF COOPERATION IN THE TECHNOLOGICAL AND RESEARCH AREA. WE HAVE CONDUCTED OUR DISCUSSIONS, PARTICULARLY IN THE FIELD OF ECONOMIC AND TRADE ISSUES, WITH THE UPCOMING INTERNATIONAL CONFERENCES IN MIND - FOR EXAMPLE, THE OECD CONFERENCE AND OUR PREPARATIONS FOR THE EUROPEAN COUNCIL AT THE BEGINNING OF JULY, AND OF COURSE ALSO WITH AN EYE TO THE WESTERN ECONOMIC SUMMIT IN MID-JULY.

WE ARE AGREED THAT WE INTEND TO MAKE EVERY EFFORT TO MAKE UNCLASSIFIED

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PROGRESS ON THESE IMPORTANT TRADE AND ECONOMIC QUESTIONS IN THEIR INTERNATIONAL CONTEXT, AND WE WANT TO WORK ON THEM TOGETHER VERY ENERGETICALLY. WE BELIEVE THAT WE HAVE POSSIBILITIES OF EXERTING A POSITIVE INFLUENCE ON ECONOMIC DEVELOPMENT BY INTERNATIONALLY CONCERTED ACTIONS.

WE ARE ALSO CONVINCED, SINCE INTERNATIONAL TRADE QUESTIONS PLAY A SPECIAL ROLE IN THIS CONTEXT, THAT WE CAN TAKE ADVANTAGE OF THE UPCOMING SERIES OF CONFERENCES TO MAKE PROGRESS. WE ARE DETERMINED, AT ANY RATE, TO OBSERVE OUR AGREED TIME TARGETS IN THE TOKYO ROUND OF GATT, AND WE THINK IT POSSIBLE THAT AT THE WESTERN ECONOMIC SUMMIT CONFERENCE WE WILL BE ABLE TO LAY DOWN IMPORTANT DECISIONS FOR THE CHIEF ELEMENTS OF THE INTERNATIONAL CONFERENCE ON THE TOKYO ROUND. AS YOU KNOW, THE DOWNING STREET CONFERENCE IN THE PREVIOUS YEAR IN THIS CONNECTION, EXPRESSED AN UNDERTAKING TO ACCELERATE THE NEGOTIATIONS FOR THE TOKYO ROUND. WE SEE POSSIBILITIES FOR THE NEXT SUMMIT CONFERENCE TO MAKE A NEW PRONOUNCEMENT ON THIS BUT SAY THAT WE HAVE KEPT OUR PREVIOUS UNDERTAKINGS IN SOME MATTERS. WE HAVE ALSO TALKED ABOUT BILATERAL QUESTIONS IN THIS CONNECTION, FOR INSTANCE PROBLEMS IN

THE FIELD OF THE STEEL INDUSTRY WERE DISCUSSED. HERE WE ARE STAYING WITH THE CONCEPT DEVELOPED BY US LAST YEAR THAT WE SHOULD FIRST OF ALL TRY TO STABILIZE THE ACUTE SITUATION AND THEN, ON THE LEVEL OF INTERNATIONAL COOPERATION, WORK OUT A LONGER TERM ORDER FOR THIS SECTOR. WHAT WE TALKED ABOUT IN AUTUMN LAST YEAR HAS DEVELOPED POSITIVELY NOW AND WE HAVE AGREED THAT WE WOULD WORK JUST AS ENERGETICALLY ON AN INTERNATIONAL PLANE FOR MEDIUM TERM SOLUTIONS. I WON'T SAY ANY MORE ABOUT THE ONE AND A HALF DAYS WE SPENT TOGETHER DISCUSSING. OF COURSE, MR. COOPER AND I ARE AT YOUR DISPOSAL FOR ANY QUESTIONS YOU MAY HAVE. THANK YOU.

COOPER: I HAVE NOTHING TO ADD BY WAY OF GENERAL REMARKS
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EXCEPT TO UNDERLINE WHAT VICE-PRESIDENT HAFERKAMP HAS SAID: THAT WE NOW HAVE, ON PRACTICALLY ALL OF THE ISSUES

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USEEC

THAT WE TOUCHED ON IN THE LAST TWO DAYS, A CONTINUING CONTACT WITH THE COMMUNITY DURING THE COURSE OF THE YEAR, BUT THAT IT IS USEFUL TO HAVE THESE MEETINGS TWICE A YEAR TO BRING THEM ALL TOGETHER IN A KIND OF OVERVIEW OF THE WHOLE RANGE OF ECONOMIC RELATIONS.

QUESTION: DID YOU GIVE ANY INDICATION OF WHEN THE UNITED STATES MAY TABLE A REVISED OFFER IN THE GATT TALKS?

COOPER: ON THE TIME TABLE THAT WE'VE AGREED TO IT'S GOT TO BE WITHIN THE NEXT FOUR WEEKS. WE ARE ON A VERY TIGHT TIME TABLE NOW. WE HOPE TO REACH ESSENTIAL AGREEMENT BEFORE THE END OF JUNE WITH THE COMMUNITY AND JAPAN, AND WE DO HAVE CERTAIN DOMESTIC PROCEDURES WHICH MUST BE GONE THROUGH IN ORDER TO MAKE A FORMAL OFFER IN THE INTERNATIONAL TRADE NEGOTIATIONS. WE'RE IN THE MIDDLE OF THOSE PROCEDURES NOW AND THEY SHOULD BE FORTHCOMING
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WITHIN THE NEXT SEVERAL WEEKS.

QUESTION: MR. COOPER, REGARDING THE STEEL MATTER, THE TRIGGER PRICE PLAN WHICH I THINK YOU WERE LARGELY INVOLVED WITH APPEARS NOT TO BE TOO IMPRESSIVE TO THE AMERICAN INDUSTRY WHICH HAS RECENTLY FILED A SERIES OF ANTI-DUMPING COMPLAINTS AGAINST EUROPEAN STEEL MAKERS AND HAS THREATENED TO FILE MORE AGAINST OTHERS. WHAT SEEMS TO BE THE SITUATION CURRENTLY BETWEEN THE COMMUNITY AND THE UNITED STATES IN THE QUESTION OF THE U.S. TRIGGER PRICES AND THE DUMPING COMPLAINTS?

COOPER: YOU'LL HAVE TO ASK THE INDUSTRY WHY THEY THINK THE TRIGGER PRICE MECHANISM HASN'T WORKED TO THEIR SATISFACTION. IT IS TRUE THAT STEEL IMPORTS INTO THE UNITED STATES DURING THE FIRST QUARTER OF THIS YEAR WERE AT EXCEPTIONALLY HIGH LEVELS. OUR ANALYSIS OF THAT SUGGESTS, AND IS CONFIRMED BY TALKING WITH FOREIGN STEEL PRODUCERS, THAT A LOT OF THAT REPRESENTED A ONCE-FOR-ALL ATTEMPT TO JUMP THE GUN, AS IT WERE, TO ANTICIPATE WHAT COULD BE A MORE RESTRICTIVE REGIME, AND WE DO NOT THEREFORE EXPECT THE LEVEL OF STEEL IMPORTS IN THE FIRST QUARTER OF THIS YEAR TO BE SUSTAINED THROUGHOUT THE YEAR. MOREOVER, AMERICAN STEEL FIRMS ARE NOW OPERATING AT LEVELS VERY MUCH HIGHER THAN THEY WERE A YEAR AGO, SO THAT THE CONDITION OF THE INDUSTRY HAS, IN FACT, IN TERMS OF ORDERS AND PRODUCTION, IMPROVED SUBSTANTIALLY; AND WE IN THE GOVERNMENT BELIEVE THAT THE TRIGGER PRICE MECHANISM IS AN ADEQUATE RESPONSE TO THE KINDS OF COMPLAINTS WHICH OUR INDUSTRY HAD WITH RESPECT TO DUMPING AND UNFAIR COMPETITION, AND WE INTEND TO OPERATE IT IN THAT SPIRIT.

QUESTION: MR. COOPER, COULD I ASK YOU TO COMMENT ON THE
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COMMUNITIES' NEGOTIATIONS WITH JAPAN BECAUSE THE UNITED STATES NEGOTIATIONS WITH JAPAN HAVE ALWAYS EMPHASIZED THE MULTILATERAL ASPECT OF THE DANGER OF JAPAN HAVING A LARGE SURPLUS, WHEREAS THE COMMUNITY HAS TENDED TO WORRY ABOUT RESOLVING ITS BILATERAL DEFICIT WITH JAPAN. DO YOU AGREE WITH THE COMMUNITY APPROACH, HAVE YOU DISCUSSED THIS AND ARE YOU WORRIED BY IT?

COOPER: I THINK BOTH THE UNITED STATES AND THE COMMUNITY, AS INDEED ARE OTHER COUNTRIES, ARE CONCERNED ABOUT THE HUGE AND, UNTIL NOW, GROWING SCALE OF THE JAPANESE CURRENT ACCOUNT SURPLUS. IT PUTS TREMENDOUS STRAIN ON THE INTERNATIONAL ECONOMY AS A WHOLE. AS YOU SUGGEST IN YOUR QUESTION, OUR APPROACH TO JAPAN WAS TO EMPHASIZE THE OVERALL ROLE TO JAPAN IN THE WORLD, THE STRAIN IT WAS PUTTING ON THE WORLD ECONOMY AND THE HIGH NECESSITY IN OUR VIEW FOR TAKING ACTIONS ON DOMESTIC GROWTH, ON IMPORT LIBERALIZATION AND SO FORTH TO DEAL WITH THAT OVERALL SURPLUS. I DO NOT HAVE THE IMPRESSION THAT THE COMMUNITY IS ON A FUNDAMENTALLY DIFFERENT TRACK FROM THAT. PERHAPS MR. HAFERKAMP CAN COMMENT ON IT. IT IS PERHAPS UNDERSTANDABLE THAT THE COMMUNITY OR SOME MEMBERS OF THE COMMUNITY EMPHASIZE PARTICULAR BILATERAL ASPECTS FOR DOMESTIC REASONS, BUT I THINK THAT THERE IS NO INCOMPATIBILITY BETWEEN THE APPROACH THAT THE UNITED STATES TOOK IN ITS DISCUSSION WITH JAPAN AND THE CONCERNS THAT HAVE BEEN EXPRESSED BY THE COMMUNITY TO JAPAN.

HAFERKAMP: I WOULD LIKE TO CONFIRM THAT. IF YOU LOOK AT THE COMMUNIQUE WHICH WERE ISSUED IN JANUARY AND IN MARCH WITH JAPAN, BETWEEN ROBERT STRAUSS AND MINISTER USHICA AND AND IN MARCH BETWEEN MINISTER USHICA AND MYSELF, YOU SEE THAT IN BOTH CASES IMPORTANT POINTS OF THE AGREEMENT CONCERN MACRO-ECONOMIC MEASURES. FOR THE DIMINUTION OF THE JAPANESE SURPLUS TO BE ATTAINED - AND THERE WERE POSSIBILITIES TO ATTAIN IT - THIS IT NOT SOMETHING WHICH
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CAN BE DONE BILATERALLY BETWEEN THE UNITED STATES AND JAPAN OR BETWEEN THE COMMUNITY AND JAPAN. IF WE ARE TALKING ABOUT THE NECESSITY OF RAISING THE SHARE OF IMPORTS OF FINISHED GOODS INTO JAPAN, THIS IS VALID GENERALLY AND

NOT ONLY BILATERALLY. I ONLY WANT TO MENTION THESE TWO

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USEEC

EXAMPLES. THERE ARE SEVERAL MORE. THERE IS THE MACRO-
ECONOMIC PART WHICH IS GENERALLY INTERESTING, OF COURSE;
AND THERE ARE SOME THINGS WHICH ARE OF PARTICULAR BILATERAL
INTEREST - FOR INSTANCE, IN THE COMMUNIQUE OF JANUARY
WHEN THEY TALK ABOUT ORIGINS AND SPECIAL BEEF IMPORTS WHICH
WERE A PARTICULAR CONCERN ON THE AMERICAN SIDE. THE
DECISIVE THING, HOWEVER, IS THAT ALL THESE DISCUSSIONS ARE
CONDUCTED WITH THE AIM OF COOPERATION BETWEEN ALL THREE
PARTNERS NAMED HERE, BETWEEN THE UNITED STATES, JAPAN AND
EUROPE, AND I WOULD LIKE TO STRESS THE IMPORTANCE OF THE
TRI-LATERAL COOPERATION WHICH DOES NOT ONLY DEAL WITH
QUESTIONS OF THE JAPANESE BALANCE OF PAYMENTS BUT HAS A
GENERAL SIGNIFICANCE FOR THE WORLD ECONOMIC SITUATION AND
THE PURSUANCE OF THE GATT NEGOTIATIONS. WE HAVE A VERY
CLOSE TRILATERAL COOPERATION. COULD I MENTION THAT IN
CONNECTION WITH THE CONTINUATION OF THE MTN NEGOTIATIONS
ON THE 19TH AND 20TH JUNE, A FURTHER TRILATERAL TALK WILL
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TAKE PLACE IN WASHINGTON AND MR. STRAUSS, MINISTER USHIBA AND MYSELF WILL PARTICIPATE IN THEM, AND WE WILL HAVE THE PLEASURE OF SEEING EACH OTHER AGAIN.

QUESTION: JUST TO COME BACK TO STEEL, COULD YOU DESCRIBE HOW THE US VIEWS THE PROSPECTS, WHAT THE US POSITION IS ON THE NEGOTIATIONS WHICH ARE NOW JUST BEGINNING FOR A LONGER-TERM STEEL AGREEMENT BETWEEN JAPAN, THE EC AND THE US. ONE GETS THE IMPRESSION THAT THE US IS QUITE KEEN FOR SUCH AN AGREEMENT, PRECISELY BECAUSE THE TRIGGER-PRICE SYSTEM IS PROVING SO DIFFICULT TO WORK, BECAUSE IT NEEDS CONSTANT ADJUSTMENTS AND PARTLY BECAUSE OF THE DOLLAR-YEN CURRENCY FLUCTUATION.

COOPER: NO, I THINK THE INTEREST IN THE LONGER-TERM ARRANGEMENT REFLECTS NOT ANY PERCEIVED INADEQUACIES OF THE TRIGGER-PRICE MECHANISM BUT IS AIMED AT A PARTICULAR PROBLEM - AND ONLY A PARTICULAR PROBLEM - ALTHOUGH, HAVING SAID THAT, IT IS TRUE THAT AS WITH ANY NEW MECHANISM INVOLVING AS MUCH DETAIL AS THE TRIGGER-PRICE MECHANISM DOES, UNTIL WE DEVELOP SOME EXPERIENCE WITH IT THERE ARE GOING TO BE CONSTANT READJUSTMENTS ALL THE TIME. AND OF COURSE THE QUESTION OF EXCHANGE RATE READJUSTMENTS WAS BUILT IN FROM THE BEGINNING. THEY WILL BE MADE QUARTERLY. IT DOES NOT POSE ANY PROBLEM IN PRINCIPLE. BUT THE DISCUSSIONS ON A LONGER-TERM ARRANGEMENT ON STEEL, WHICH INCIDENTALLY WILL AND MUST INVOLVE ENTITIES OTHER THAN JUST THE US, EC AND JAPAN - THEY WILL HAVE TO INVOLVE MANY OTHER COUNTRIES - IS TO PROVIDE A CONTINUING MONITORING AND FOCUS OR LOCUS FOR DISCUSSION OF AN INDUSTRY IN WHICH IT IS RECOGNIZED THAT THE PROBLEM IS NOT ONE JUST OF LAST YEAR OR THIS YEAR BUT IS LIKELY TO BE WITH US AT LEAST FOR A NUMBER OF YEARS AND IT IS REALLY THAT LONGER-TERM NATURE UNCLASSIFIED

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OF THE PROBLEM WHICH ATTRACTS US TO THE IDEA OF SOME KIND OF FORUM FOR CONTINUING DATA GATHERING, ANALYSIS, CONSULTATIONS AND DISCUSSION. AS TO THE PROSPECTS FOR GETTING IT: OF COURSE WE JUST BEGAN DISCUSSIONS WITH OTHER COUNTRIES AND IT IS TOO EARLY TO SAY HOW IT IS GOING TO COME OUT.

QUESTION: A PROPOS THE TOKYO ROUND AND TRADE BETWEEN THE COMMUNITY AND THE UNITED STATES, DID YOU DISCUSS THE RECENT MONETARY UPHEAVALS AND MEANS OF REMEDYING THEM.

COOPER: I DID NOT REALLY MENTION MONETARY UPHEAVALS. I TALKED ABOUT EXCHANGE RATE ADJUSTMENTS. OUR APPROACH

TO THE QUESTION OF EXCHANGE RATE CHANGES AND THE
DISTURBANCES IN PARTICULAR THAT TOOK PLACE BETWEEN
OCTOBER AND MARCH, DISTURBANCES OF THAT TYPE, IS TO
EMPHASIZE THE FUNDAMENTAL ECONOMIC CONDITIONS, AND THOSE
WE SEE REALLY TO BE THREE AT THE PRESENT TIME. THE
FIRST, WHICH IS A RESPONSIBILITY PRIMARILY OF THE UNITED
STATES, IS TO GET AN ENERGY PROGRAM ADOPTED, IN PLACE, AND
IN EFFECT; TO CUT DOWN OUR LONG-RUN IMPORTED ENERGY. IT
SEEMS TO ME THAT THAT IS A NECESSARY CONDITION IN TERMS OF
OUR EXPECTATIONS ABOUT THE PROSPECTS FOR THE US TRADE
BALANCE. THE SECOND IMPORTANT CONDITION WHICH IS
IMPORTANT FOR THE US AND ALSO FOR OTHER COUNTRIES IS TO
DO WHAT CAN BE DONE ABOUT KEEPING INFLATION UNDER CONTROL.
AND THE THIRD IMPORTANT FUNDAMENTAL CONDITION CONCERNS
THE RATE OF ECONOMIC GROWTH, IN THIS CASE IN THE REST OF
THE WORLD AT THE PRESENT TIME. THE UNITED STATES HAS
BEEN ON WHAT I WOULD CALL A REASONABLE PATH OF RECOVERY
FROM THE RECESSION OF 1975. OTHER INDUSTRIAL COUNTRIES
AND ESPECIALLY THE EUROPEAN COUNTRIES HAVE LAGGED BEHIND
THE US IN THAT REGARD, AND I THINK THAT SOME KIND OF
RESTORATION OF MORE NORMAL GROWTH RATES IS ONE OF THE
FUNDAMENTAL FACTORS THAT WILL OF COURSE AFFECT EXCHANGE
MARKETS. OUR EXPECTATION IS THAT IF THESE FUNDAMENTAL
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FACTORS CAN BE ADDRESSED SUCCESSFULLY, THE EXCHANGE
MARKETS, THE UNCERTAINTIES AND THE TURBULENCES IN THE
EXCHANGE MARKETS, WILL VERY SHARPLY DIMINISH, AND WE SHOULD

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REALLY FOCUS ON FUNDAMENTAL ECONOMIC FACTORS.

QUESTION: MR. HAFERKAMP, YOU EMPHASIZED THE IMPORTANCE OF THE TRILATERAL JAPAN - US - EEC CONTACTS. IN SEVERAL OTHER PARTS OF THE WORLD THERE ARE GREAT FEARS ABOUT THIS. FOR INSTANCE, THE AUSTRALIANS ARE VERY CRITICAL OF THE EEC'S NEW INDUSTRIAL TRADING POLICY. ARE THERE ANY CHANCES FOR OTHER PARTS OF THE WORLD THAT YOU'RE NOT GOING TO HAVE A MASSIVE TRANSATLANTIC CARVE-UP WHICH LEAVES OTHER PEOPLE OUT.

HAFERKAMP: WELL I SHOULD LIKE TO EMPHASIZE THAT IF, FOR SOME SPECIFIC REASONS, PARTICULARLY CLOSE COOPERATION BETWEEN THESE THREE PARTNERS - THAT IS TO SAY, THE UNITED STATES, JAPAN AND THE COMMUNITY - TAKES PLACE, I WOULD LIKE TO STRESS THAT THIS IS DIRECTED AGAINST NO ONE, THAT IT IS NOT AN ATTEMPT AT GOING IT ALONE TO SETTLE
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THINGS OR TO DEVELOP ANY IDEAS, PROPOSALS OR PRACTICES WHICH MIGHT PRESENT OTHERS WITH A FAIT ACCOMPLI. THAT IS NOT THE INTENTION. IT IS PURELY OBJECTIVE. THIS IS SOMETHING THAT HAS ARISEN FROM THE SPECIAL CIRCUMSTANCES AND HAS ITS ROOTS IN THE BALANCE OF PAYMENTS SITUATION OF THESE THREE COUNTRIES TO WHICH I HAVE REFERRED. THESE MATTERS SHOULD BE DISCUSSED FROM THE POINT OF VIEW OF THE THREE, BUT WHEN I POINTED TO MACRO-ECONOMIC MEASURES THAT WE EXPECT JAPAN TO TAKE, - THAT BOTH WE AND THE UNITED STATES EXPECT JAPAN TO TAKE, - THEN THESE ARE NATURALLY ALSO IN THE INTEREST OF OUR OTHER PARTNERS IN THE WORLD. WE HAVE MADE A SPECIAL EFFORT TO BRING THE TOKYO ROUND FORWARD. WE ARE MOST ANXIOUS ALSO THAT OUR OTHER PARTNERS COOPERATE ACTIVELY. IN GENEVA, WE ASKED JOINTLY THAT SOME MEMBERS OF GATT WHICH HAVE SO FAR BEEN RATHER RETICIENT SHOULD BECOME A LITTLE MORE ACTIVE, A LITTLE MORE CONCRETE, AND PUT THEIR TARIFF OFFERS FORWARD AND DO THIS IN THE SPIRIT OF MOVING THINGS FORWARD A BIT. SO IT IS NOT AT ALL OUR INTENTION TO DO ANYTHING IN ISOLATION OR WHICH MIGHT BE DIRECTED AGAINST OTHERS. WHEN I SPOKE OF THE SERIES OF IMMINENT IMPORTANT INTER-

NATIONAL MEETINGS, I MENTIONED, FOR INSTANCE, THE ECONOMIC SUMMIT. JAPAN WILL BE INVOLVED IN THAT BUT WE ALL KNOW THAT IF AND WHEN THIS CONFERENCE TAKES PLACE THAT WHAT IS ARRANGED OR AGREED THERE WILL TEND TOWARDS THE REVIVAL OF WORLD ECONOMY; AND THAT THE CONCLUSION OF THE TOKYO ROUND ALSO, THAT ALL THIS WILL APPLY NOT ONLY TO THE PARTICIPANTS IN THAT CONFERENCE BUT IS IN THE INTERESTS OF WORLD ECONOMY AS A WHOLE.

QUESTION: MR. COOPER, THE US RECENTLY PASSED A NEW LAW FOR THE CONTROL OF SUPPLIES OF ENRICHED URANIUM. SOME EUROPEAN COUNTRIES HAVE REPROACHED THE U.S. FOR UNCLASSIFIED

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HAVING IN THIS WAY IGNORED AN INTERNATIONAL TREATY. I WANT TO ASK YOU FOR A COMMENT ON THIS SUBJECT AND ALSO ASK YOU IF THE SUBJECT WAS DEALT WITH IN YOUR CONVERSATIONS WITH MR. HAFERKAMP.

COOPER: WE DID DISCUSS THIS ISSUE BRIEFLY BUT WE DID NOT DWELL ON IT BECAUSE IT SEEMED PREMATURE TO HAVE DETAILED DISCUSSIONS ON THIS. IT IS STILL BEING CONSIDERED WITHIN THE EUROPEAN COMMUNITY. ON THE LEGAL POINT, THE QUESTION SUGGESTS THAT THE RECENT LAW IN THE UNITED STATES IS IN VIOLATION OF OUR INTERNATIONAL AGREEMENT. THAT IS NOT OUR UNDERSTANDING OF THE AGREEMENT. IN FACT, THE AGREEMENT ALLOWS SPECIFICALLY FOR NEW LEGISLATION. BUT THIS IS ONE OF THE NUMEROUS AREAS OF POINTS OF CONTACT BETWEEN THE COMMUNITY AND THE UNITED STATES. WE SHARE A COMMON INTEREST, A COMMON CONCERN ABOUT THE DEVELOPMENT OF NUCLEAR ENERGY AND RISKS ASSOCIATED WITH NUCLEAR ENERGY, AND WE TOUCHED ON IT IN THESE MEETINGS AND WE WILL HAVE FURTHER CONVERSATIONS ON IT AS TIME GOES ON.

QUESTION: MR. COOPER, YOU MIGHT HAVE NOTICED THAT IN MY PAGES, "THE METAL MARKET," AND A NUMBER OF OTHERS THAT FOLLOW THE METAL MARKET CLOSELY, THERE SEEMS TO BE A CERTAIN AMOUNT OF CONFUSION ON THE FOLLOWING POINT: THERE SEEMS TO HAVE BEEN AN UNDERSTANDING THAT THE EUROPEAN STEEL PRODUCERS ACCEPTED THE US TRIGGER-PRICE MECHANISM AS A QUID PRO QUO FOR THE DROPPING OF ANTI-DUMPING COMPLAINTS. WAS THERE IN FACT THIS UNDERSTANDING?

COOPER: THERE WAS NO UNDERSTANDING IN ANY CONTRACTUAL OR QUASI-CONTRACTUAL SENSE AT ALL. WE WERE FACED WITH THE PROBLEM LAST YEAR OF GROWING NUMBERS OF COMPLAINTS ABOUT DUMPING. DUMPING CASES IN THE US HAVE IN RECENT YEARS TAKEN MANY, MANY MONTHS TO DO THE

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DETAILED INVESTIGATION ON, AND THE TRIGGER-PRICE MECHANISM WAS DESIGNED TO GET THE US TREASURY UP TO SPEED ON THE QUESTION OF STEEL, BECAUSE OF THE VERY LARGE NUMBER OF COMPLAINTS THAT HAD BEEN COMING IN, ON THE ONE HAND; ON THE OTHER HAND, TO ASSURE THE AMERICAN STEEL INDUSTRY THAT THERE WOULD BE AN ACCELERATED PROCESS, OR AN ACCELERATED TRACK, IF STEEL CAME IN THE US UNDER WHAT BECAME KNOWN AS THE TRIGGER-PRICES. SO

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USEEC

IT WAS REALLY DESIGNED TO ACCELERATE THE WHOLE PROCESS.
IT WAS OUR HOPE AND INDEED EXPECTATION THAT SOME OF
THE ANTI-DUMPING CASES WOULD IN FACT BE WITHDRAWN
ONCE THE STEEL INDUSTRY SAW HOW THE MECHANISM WAS
WORKING. WE MADE CLEAR HOWEVER TO OUR OWN INDUSTRY AND
TO THE EC THAT THE RIGHTS THAT AMERICAN FIRMS HAVE UNDER
AMERICAN LAW TO A FAIR INVESTIGATION BY THE TREASURY
OF DUMPING COMPLAINTS AND IF THESE COMPLAINTS TURN

OUT TO BE JUSTIFIED, ACTUAL ANTIDUMPING DUTIES,
WERE UNIMPAIRED BY THIS MECHANISM, COMPLETELY UNIMPAIRED,
AND THERE WAS NO MISUNDERSTANDING ON THAT POINT BETWEEN
THE COMMUNITY AND THE UNITED STATES. HOWEVER, THERE
WAS OBVIOUSLY A CASE OF A HUGE CONGESTION OF THESE
CASES AND THIS WAS DESIGNED TO CLEAR THE AIR IN THAT
REGARD. IT HAS DONE SO IN PART, BUT ONLY IN PART.
QUESTION: THIS IN FACT CLEARED THE AIR ONLY IN PART,
BECAUSE THERE HAVE BEEN A NUMBER OF RECENT NEW
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ANTI-DUMPING CASES. BUT MY OTHER QUESTION IS THAT
YOU MENTIONED EARLIER A POSSIBLE FORUM FOR A MEDIUM-
TERM SOLUTION TO STEEL, MIGHT THIS POSSIBLE FORUM --
WAS IT MENTIONED IN YOUR TALKS THESE LAST FEW DAYS --
THAT THIS FORUM MIGHT BE A CENTRAL AGREEMENT IN
THE GATT?

COOPER: THE ANSWER TO THAT QUESTION IS NO, WE DID NOT
DISCUSS IN THESE MEETINGS THE NATURE OF THAT FORUM. WE
DISCUSSED THE CONTENT OF IT BUT NOT THE LOCATION OF IT.
QUESTION: WOULD HERR HAFERKAMP LIKE TO COMMENT ON THE
URANIUM SITUATION?

HAFERKAMP: WELL, I CAN ONLY CONFIRM WHAT MR. COOPER
HAS SAID JUST NOW. WE ARE IN DISCUSSION AND FURTHER
CONSIDERATIONS ARE TAKING PLACE, AND I HAVE NOTHING TO
ADD TO WHAT HAS BEEN SAID.

QUESTION: IN CONNECTION WITH THE STEEL QUESTION, THIS
FORUM THAT YOU ARE TALKING ABOUT, IS IT A QUESTION OF
TRYING TO EXTEND TO THE STEEL SECTOR THE EQUIVALENT OF
WHAT ALREADY EXISTS FOR TEXTILES -- THAT IS TO SAY,
THE MULTI-FIBER AGREEMENT?

COOPER : I DON'T THINK I CAN SAY AT THIS STAGE EXACTLY
WHAT OR WHERE -- WHAT WILL COME OUT OF THESE DISCUSSIONS
OR WHERE IT WILL BE LOCATED. ALL WE HAVE DONE IS BEGIN
VERY PRELIMINARY DISCUSSIONS ON SOME KIND OF FORUM TO
DISCUSS LONG-RANGE PROBLEMS OF STEEL. IT IS NOT OUR
INTENTION AT THE PRESENT TIME TO REPLICATE THE
MULTI-FIBER AGREEMENT.

HAFERKAMP: I SHOULD LIKE VERY MUCH TO EMPHASIZE THAT THIS
IS NOT OUR INTENTION EITHER.

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QUESTION: MR. COOPER, THE COMMISSION IS DISCUSSING
A DRAFT LEGISLATION ALLOWING FOR CARTELLIZATION IN
CRISIS SITUATIONS, FOR INSTANCE IN ARTIFICIAL FIBER.
WAS THIS SUBJECT DISCUSSED, ESPECIALLY IN THE LIGHT
OF POSSIBLE INTERFERENCE WITH US ANTI-TRUST LEGISLATION.
COOPER: WE DID NOT DISCUSS THIS ISSUE IN THE MAIN SESSION.
IT WAS TOUCHED UPON IN THE TRADE SUB-COMMITTEE WHICH
WORKED YESTERDAY AFTERNOON. WE DID TAKE THE OCCASION
THERE TO EXPRESS OUR CONCERNS ABOUT WHAT WE HAVE HEARD
ABOUT THE FORMATION OF THESE ARRANGEMENTS IN SYNTHETIC
FIBERS AND THEIR POSSIBLE EXTENSION TO OTHER COMMODITIES,
AND WE WERE GIVEN SOME ASSURANCES ON THAT SCORE WHICH
I CANNOT SAY HAVE TOTALLY ALLAYED OUR CONCERNS,
BUT THEY HAVE SUBSTANTIALLY ALLAYED OUR CONCERNS.
END TEXT. HINTON

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